

Congress of the United States
Washington, DC 20515

July 8, 2009

The Honorable Charles Rangel
Chairman
Committee on Ways and Means
1100 Longworth House Office Building
Washington, D.C 20515

Dear Chairman Rangel,


Thank you for your leadership on health care reform, which is critical to improving our economy and helping middle class families and small businesses. While we support comprehensive reform, we are concerned about proposals that would tax food and beverage products. These taxes would most heavily impact low and middle-income Americans and create new burdens for small retailers and grocers.

The poorest 20 percent of Americans spend 30 percent of their after-tax income on food. A CRS assessment of a beverage tax indicated that more than 70 percent of such a tax would fall on Americans making less than \$92,000 per year. Taxing certain grocery items would simply increase the overall cost of groceries at the register, and reduce the amount consumers spend each week on food. As a result, consumers are just as likely to reduce expenditures on fruits and vegetables as they are to reduce expenditures on items subject to a tax.


Furthermore, food items cannot be easily divided into "good" and "bad" categories, which makes the implementation of a tax on certain foods nearly impossible to implement. In particular, small grocers and retailers who lack sophisticated scanning systems would face significant new burdens.

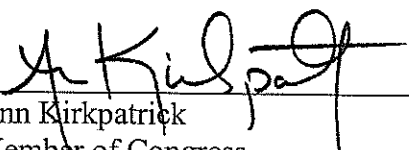
While we support health care reform and finding appropriate offsets, we would prefer that health care legislation does not raise taxes on middle class families and small businesses. Thank you for your consideration.

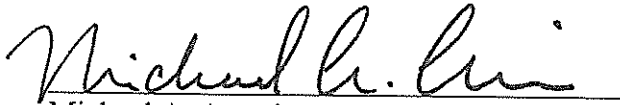
Sincerely,


Deborah L. Halvorson
Member of Congress


John Adler
Member of Congress

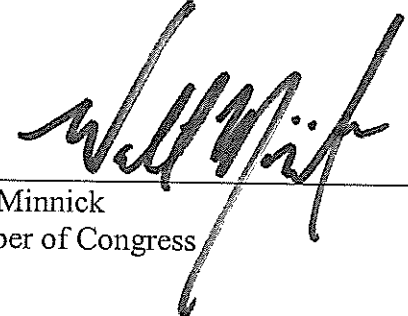

Micheal E. McMahon
Member of Congress



Ann Kirkpatrick
Member of Congress


Michael A. Arcuri
Member of Congress



John A. Boccieri
Member of Congress

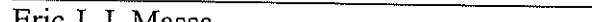

Frank Kratovil, Jr.
Member of Congress

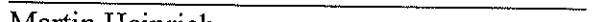

Walt Minnick
Member of Congress


Betsy Markey
Member of Congress


Thomas S. P. Perriello
Member of Congress


Leonard Boswell
Member of Congress


Eric J. J. Massa
Member of Congress


Martin Heinrich
Member of Congress

Cc: Speaker Nancy Pelosi
Minority Leader John Boehner
The Honorable Henry Waxman
The Honorable George Miller
The Honorable Joe Barton
The Honorable John Kline